

VERMONT PUBLIC POWER SUPPLY AUTHORITY

5195 Waterbury-Stowe Road • P.O. Box 298 • Waterbury Ctr., VT 05677-0298
(802) 244-7678 Fax (802) 244-6889 www.vppsa.com

June 12, 2009

Judith C. Whitney, Deputy Clerk
Vermont Public Service Board
112 State Street 4th Floor
Montpelier, VT 05620-2701

re: Board memorandum of April 15, 2009 regarding street lighting tariffs

Dear Ms. Whitney:

Vermont Public Power Supply Authority ("VPPSA") offers the following comments on behalf of its thirteen municipal member systems relative to the above memorandum.

Until such time as experience warrants formal rate design work to modify tariffs to explicitly accommodate the new technology, we suggest that our members add new rates to individual tariffs, if and as needed, by deriving the new rate for each LED fixture proportionately in relation to the existing rate for the equivalent watt usage HPS or Mercury fixture. This approach would allow individual municipalities to easily encourage the efficiency benefits of LED street lighting without straying too far from existing rate design in the interim.

While this approach is not without flaws, it can be implemented quickly and easily, with refinement to follow in subsequent rate design cases as needed. The approach offers short term flexibility with little investment (time or money) while preserving the potential to incorporate knowledge gained through experience before more permanent solutions are implemented.

VPPSA is open to ideas that may be offered by other parties, and looks forward to working with the Public Service Board, the Department of Public Service and others to encourage Vermont utilities to make the most of opportunities related to LED street lighting.

Sincerely,



Steve Farman